



TO: Outreach Partners and Interested Parties

FROM: *Prescription Advantage*

Date: November 23, 2005

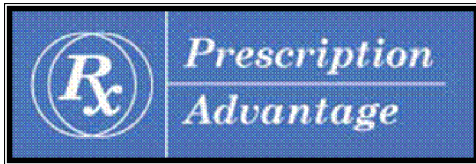
BULLETIN

This bulletin is one in a series of routine updates regarding Prescription Advantage. These notices are designed to inform a broad network of outreach partners and other interested parties about Plan updates affecting both current and future Plan members.

Category 6 Termination Letter

Prescription Advantage will no longer offer coverage to people with an income equal to or greater than 500% of the Federal Poverty Level, or specifically, \$47,851 or above (one-person household), or \$64,151 or above (two-person household). With the implementation of Medicare Part D, these members will be able to choose a comprehensive drug plan at a comparable cost. As a result, members currently in this income category will be terminated from the Prescription Advantage program as of January 1, 2006. The attached letter will be mailed this week to members affected by this change.

In addition, the letter includes information about the change to Prescription Advantage's Plan year. This information can be found under the heading: A Change to your Out-of-Pocket Spending Limit.



November 23, 2005

Dear Prescription Advantage Member:

Medicare will begin offering prescription drug coverage to all people with Medicare starting January 1, 2006. This letter is to inform you that Prescription Advantage will no longer be offering you benefits as of this date.

Our records indicate that either you have not disclosed your income or your current income is equal to or greater than 500% of the Federal Poverty Level, or specifically, \$47,851 or above (one-person household), or \$64,151 or above (two-person household). Please let us know if this is not accurate. This information is related to Prescription Advantage coverage that may be available to you in addition to the benefits that you can get with the new Medicare coverage.

The standard Medicare drug plans available will provide you with prescription drug coverage at a lower cost than what you are currently paying for your Prescription Advantage benefits. The standard 2006 Medicare benchmark premium is only \$30.27 per month as opposed to your current Prescription Advantage premium of \$99 (one-person household), or \$74 (two-person household). Depending on the drug plan that you enroll in, you will be responsible for paying a premium, deductible, and co-payment(s) for your prescription drugs.

Since the available standard Medicare prescription drug coverage options will provide you with insurance at a lower cost, you would no longer benefit by being enrolled in Prescription Advantage. There are several resources available to help you understand the Medicare Drug Plan benefit. These are listed on the enclosed resource sheet.

A Change to your Out-of-Pocket Spending Limit

Additionally, we would like to share some important information with you regarding a change to your Prescription Advantage annual out of pocket spending limit for this year. The new Medicare prescription drug coverage that becomes effective on January 1, 2006 necessitates this change.

Your annual out of pocket spending is the money you pay towards your co-pays and deductible. As a Prescription Advantage member, you are assigned a limit or maximum dollar amount that you are required to pay during a Plan year. When you reach your limit, you pay \$0 for your co-pays and deductible for the remainder of the Plan year.

Due to the new Medicare prescription drug coverage becoming effective on January 1, 2006, Prescription Advantage must end the current Plan year on December 31, 2005. Since we have

shortened the Plan year by six months, we will reduce your annual out of pocket spending limit this year by half and will send you a refund for any amount you spent beyond this limit. If you are due a refund from Prescription Advantage, you will receive it early next year.

If you have any questions regarding this letter or if you feel that we have calculated your income incorrectly, please contact Prescription Advantage Customer Service at 1-800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1-877-610-0241.

Sincerely,

Prescription Advantage

Helpful Resources

There are organizations available to help you compare Medicare drug plans and to answer questions that you may have about your drug coverage.

Important Resources:

- ✓ Prescription Advantage Customer Service - For assistance with your Prescription Advantage benefits and to get additional information about available Medicare drug plans.
1-800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1-877-610-0241
www.800ageinfo.com
- ✓ SHINE - (Serving the Health Information Needs of Elders) – Individual health insurance counseling available to all Medicare beneficiaries.
1-800-AGE-INFO (1-800-243-4636), press 2 or TTY (toll free) 1-800-872-1066
www.medicareoutreach.org
- ✓ MassMedLine - A resource for prescription drug information and assistance. Pharmacists are available to assist you.
1-866-633-1617
www.massmedline.com
- ✓ Medicare - For general assistance with the Medicare Part D benefits and the Medicare drug plans. Please look for the *Medicare and You* handbook that was sent to you in October. Contact Medicare if you did not receive it.
1-800-MEDICARE (1-800-633-4227)
www.medicare.gov